

January 17, 2006

MEMORANDUM TO: Daniel M. Gillen, Deputy Director
Decommissioning Directorate
Division of Waste Management
and Environmental Protection
Office of Nuclear Material Safety
and Safeguards

FROM: James Shepherd, Project Engineer */RA/*
Decommissioning Directorate
Division of Waste Management
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Office of Nuclear Material Safety
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SUBJECT: SUMMARY OF THE NOVEMBER 3, 2005, MEETING BETWEEN THE
NUCLEAR REGULATORY COMMISSION STAFF, FMRI, AND THE
PORT OF MUSKOGEE TO DISCUSS A PROPOSED RAIL LINE

On November 3, 2005 a public meeting was held by conference call between staff from the U.S. Nuclear Regulatory Commission (NRC), FMRI, and the Port of Muskogee for the Port of Muskogee to explain its proposal to construct and operate a rail line through the FMRI property.

The Port of Muskogee is adjacent to the FMRI site in Muskogee Oklahoma. In 1999, the Port, as part of its Master Plan of Development, acquired the "NW Property" from Fansteel, FMRI's parent and previous operator of the site. The Port expressed an interest in constructing and operating a rail line through the existing FMRI property. Title to the property would follow NRC license termination.

The Director of the Port of Muskogee provided background information on the purpose of the rail line. In Muskogee there are two railroad companies: Burlington Northern and Union Pacific. These companies have a "non-competition" agreement, therefore any Muskogee company that is served by one but orders a product shipped by the other must pay nearly double the transportation costs. Previously, the Port attempted to negotiate a fixed price per-railcar switching agreement, that was declined. The Port's proposed rail line would provide a connection between the two railroad companies' lines, thereby saving considerable cost for the local businesses. Figure 1 shows the approximate path through the FMRI site.

One of the major consumers is the Oklahoma Gas and Electric coal fired power generation facility across the Arkansas River from FMRI. Consequently, there would be unit coal train shipments through the FMRI site on a regular basis. The Port estimates the shipment frequency would be between one per day and one per week.

There was a discussion of the potential impact on FMRI's decommissioning activities, on the ground water interceptor trench on the east side of the site, and on the feasibility of a partial site release for the rail right-of-way. The Port stated it had financing in place for construction of the

proposed line, including some funds available for radiological characterization of the right-of-way. The Port desires to complete the project within six months. The State raised some concerns about non-radiological contamination. NRC did not identify any impediments to processing a request for a partial site release for the railroad construction.

Subsequent to the meeting, FMRI notified NRC that it would postpone any action on this item until after Phase 1 decommissioning was complete.

The meeting attendance list is enclosed. Notice of this meeting was issued on May 13, 2005. No proprietary information was disseminated or presented at this meeting. No regulatory decisions were requested or made.

Docket No.: 40-7580

Enclosure: Attendance List

cc: Service List



Figure 1. Proposed Rail Line Through FMRI Site.

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Blair Spitzberg

FMRI

Jon Jackson
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Others

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Enclosure

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